

Figure 4-5: General Aviation Fleet Growth

	1989	1994	1999	% Change from 1989
Active General Aviation Aircraft	205,000	170,600	206,530	0.7

Source: FAA.

A primary reason for this turnaround was the tort reform law passed by Congress in the early part of the decade. Before the enactment of this law, general aviation manufacturers were liable for defects in aircraft for the life of the aircraft. The problem with this was that a major share of the fleet was more than 20 years old, and manufacturers were being sued for millions of dollars of damages any time an airplane crashed. The resulting cost of insurance led many manufacturers into bankruptcy, and the production of new single-engine airplanes ground to a halt. Tort reform limited the liability to 18 years, which was enough to re-invigorate the industry, and bring new aircraft to the market.